

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



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REGULATORY AUTH.

*02 APR 11 AM 11:11 460 James Robertson Parkway
Nashville, Tennessee 37243-0505

April 10, 2002

OFFICE OF THE
EXECUTIVE SECRETARY

Mr. Terry Wales
Ardmore Telephone Company
P.O. Box 549
Ardmore, TN 38449

FAX: 256-423-2208

Re: TRA Docket No. 02-00125 – Tariff to Provide Rate Reductions to Offset a Portion of the 2002 Tax Credit

Dear Mr. Wales:

Ardmore Telephone recently filed its revised tariff in the above-referenced docket. To assist the Authority in its review of the revised tariff, please provide responses to the following:

1. Does Ardmore Telephone currently separate its costs between the interstate and intrastate jurisdictions for rate-setting purposes? If so, provide a copy of a letter to NECA indicating Ardmore Telephone's conversion from an average schedule company to a cost company. If not, explain why Ardmore Telephone took an \$8,840 Part 36/69 deduction in computing its net tax savings in the revised tariff filing.
2. Does Ardmore Telephone currently receive high-cost support from the Federal Universal Service Fund? If so, please provide responses to the remaining requests.
3. Provide the total amount of Universal Service high-cost support received for calendar years 2000 and 2001.
4. Provide the company's cost per line as calculated for Universal Service high-cost support purposes for 2000 and 2001.
5. Provide the USOA Account Number(s) in which Universal Service high-cost support payments are booked.
6. Provide the company's current cost per line as calculated for Universal Service high-cost support purposes.

7. What year's costs are used to compute the company's current cost per line reported in item no. 6, above?
8. Approximately when (month and year) will actual costs for 2002 be reported (or trued up) to NECA for use by the FCC in computing the company's cost per line and the national average cost for Universal Service high-cost support purposes?
9. In what year will the company receive Universal Service high-cost support payments based on the 2002 costs reported in item no. 8, above?
10. What year's costs were used to determine the company's Universal Service high-cost support payments for 2001?
11. What year's costs are being used to determine the company's Universal Service high-cost support payments for 2002?
12. What year's costs will be used to determine the company's Universal Service high-cost support payments for 2003?
13. What year's costs will be used to determine the company's Universal Service high-cost support payments for 2004?

Please provide your responses to the Authority by Tuesday, April 16, 2002. If you have any questions concerning this matter, contact Joe Shirley at 741-2904, extension 152.

Sincerely,



K. David Waddell
Executive Secretary

cc: Original in Docket File
R. Dale Grimes, Esq.
Timothy C. Phillips, Esq.